

Senate File 455 - Reprinted

SENATE FILE 455
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 1124)

(As Amended and Passed by the Senate March 9, 2017)

A BILL FOR

1 An Act relating to school district finance by modifying
2 provisions relating to the calculation of the regular
3 program state cost per pupil and the regular program
4 district cost per pupil, and by establishing a supplementary
5 weighting plan for certain mandatory school district
6 transportation costs and including effective date
7 provisions.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

STATE AND DISTRICT COSTS PER PUPIL

Section 1. Section 257.2, subsection 12, Code 2017, is amended to read as follows:

12. *"Supplemental state aid"* means the amount by which state cost per pupil and district cost per pupil will increase from one budget year to the next as the result of the state percent of growth.

Sec. 2. Section 257.8, subsection 5, Code 2017, is amended to read as follows:

5. *Alternate supplemental state aid — definitions.*

a. For budget years beginning July 1, 2000, and subsequent budget years, references to the terms *"supplemental state aid"*, *"regular program state cost per pupil"*, and *"regular program district cost per pupil"* shall mean those terms as calculated for those school districts that calculated regular program supplemental state aid for the school budget year beginning July 1, 1999, with the additional thirty-eight dollars specified in [section 257.8, subsection 4, Code 2013.](#)

b. For the budget year beginning July 1, 2017, and subsequent budget years, references to *"supplemental state aid"* and *"regular program state cost per pupil"* shall mean those terms as calculated including the additional amounts for specified budget years under section 257.9, subsection 2, paragraphs *"b"*, *"c"*, and *"d"*, and references to *"regular program district cost per pupil"* shall mean that term as calculated including any adjustments made under section 257.10, subsection 2.

Sec. 3. Section 257.9, subsection 2, Code 2017, is amended to read as follows:

2. *Regular program state cost per pupil for 1992-1993 and succeeding years.*

a. For the budget year beginning July 1, 1992, and succeeding budget years beginning before July 1, 2017, the regular program state cost per pupil for a budget year is the

1 regular program state cost per pupil for the base year plus the
 2 regular program supplemental state aid for the budget year.

3 b. For the budget year beginning July 1, 2017, the regular
 4 program state cost per pupil is the regular program state
 5 cost per pupil for the base year plus the regular program
 6 supplemental state aid for the budget year, plus five dollars.

7 c. For the budget year beginning July 1, 2018, the regular
 8 program state cost per pupil is the regular program state
 9 cost per pupil for the base year plus the regular program
 10 supplemental state aid for the budget year, plus ten dollars.

11 d. For the budget year beginning July 1, 2019, and
 12 succeeding budget years beginning before July 1, 2027, the
 13 regular program state cost per pupil for a budget year is the
 14 regular program state cost per pupil for the base year plus the
 15 regular program supplemental state aid for the budget year,
 16 plus twenty dollars.

17 e. For the budget year beginning July 1, 2027, and
 18 succeeding budget years, the regular program state cost per
 19 pupil for a budget year is the regular program state cost per
 20 pupil for the base year plus the regular program supplemental
 21 state aid for the budget year.

22 Sec. 4. Section 257.10, subsection 2, paragraph b, Code
 23 2017, is amended to read as follows:

24 b. If the regular program district cost per pupil of a
 25 school district for the budget year under paragraph "a" exceeds
 26 one hundred five percent of the regular program state cost
 27 per pupil for the budget year and the state percent of growth
 28 for the budget year is greater than two percent, the regular
 29 program district cost per pupil for the budget year for that
 30 district shall be reduced to one hundred five percent of the
 31 regular program state cost per pupil for the budget year.
 32 However, under such conditions, if the difference between the
 33 regular program district cost per pupil for the budget year and
 34 the regular program state cost per pupil for the budget year
 35 is greater than an amount equal to two percent multiplied by

1 the regular program state cost per pupil for the base year, the
2 regular program district cost per pupil for the budget year
3 shall be reduced by the amount equal to two percent multiplied
4 by the regular program state cost per pupil for the base year.

5 Sec. 5. Section 257.10, subsection 2, Code 2017, is amended
6 by adding the following new paragraph:

7 NEW PARAGRAPH. *c.* For the budget year beginning July 1,
8 2017, and succeeding budget years, if the regular program
9 district cost per pupil for the budget year calculated under
10 this subsection in any school district is less than the
11 regular program state cost per pupil for the budget year, the
12 department of management shall increase the regular program
13 district cost per pupil of that district to an amount equal to
14 the regular program state cost per pupil for the budget year.

15 Sec. 6. EFFECTIVE UPON ENACTMENT. This division of this
16 Act, being deemed of immediate importance, takes effect upon
17 enactment.

18 DIVISION II

19 SCHOOL DISTRICT SUPPLEMENTARY WEIGHTING

20 Sec. 7. Section 257.11, Code 2017, is amended by adding the
21 following new subsection:

22 NEW SUBSECTION. *7A. School district transportation costs.*

23 *a.* In order to provide additional funds for school district
24 transportation costs resulting from the transportation of
25 resident pupils required by chapter 285 and paid from sources
26 other than the district's physical plant and equipment levy
27 fund under section 298A.4 or revenue received from the secure
28 an advanced vision for education fund under section 423F.2, a
29 supplementary weighting plan for such pupils is adopted.

30 *b.* Each school district shall be assigned a supplementary
31 weighting amount as follows:

32 (1) For the budget year beginning July 1, 2017, ten percent
33 of the combined weighting amount calculated under paragraph
34 "c", subparagraph (2), for that budget year.

35 (2) For the budget year beginning July 1, 2018, twenty

1 percent of the combined weighting amount calculated under
2 paragraph "c", subparagraph (2), for that budget year.

3 (3) For the budget year beginning July 1, 2019, thirty
4 percent of the combined weighting amount calculated under
5 paragraph "c", subparagraph (2), for that budget year.

6 (4) For the budget year beginning July 1, 2020, forty
7 percent of the combined weighting amount calculated under
8 paragraph "c", subparagraph (2), for that budget year.

9 (5) For the budget year beginning July 1, 2021, fifty
10 percent of the combined weighting amount calculated under
11 paragraph "c", subparagraph (2), for that budget year.

12 (6) For the budget year beginning July 1, 2022, sixty
13 percent of the combined weighting amount calculated under
14 paragraph "c", subparagraph (2), for that budget year.

15 (7) For the budget year beginning July 1, 2023, seventy
16 percent of the combined weighting amount calculated under
17 paragraph "c", subparagraph (2), for that budget year.

18 (8) For the budget year beginning July 1, 2024, eighty
19 percent of the combined weighting amount calculated under
20 paragraph "c", subparagraph (2), for that budget year.

21 (9) For the budget year beginning July 1, 2025, ninety
22 percent of the combined weighting amount calculated under
23 paragraph "c", subparagraph (2), for that budget year.

24 (10) For the budget year beginning July 1, 2026, and each
25 succeeding budget year, one hundred percent of the combined
26 weighting amount calculated under paragraph "c", subparagraph
27 (2), for that budget year.

28 c. (1) (a) *Transportation cost factor.* For each budget
29 year beginning on or after July 1, 2017, the department of
30 management shall calculate for each school district all of the
31 following:

32 (i) The sum of the school district's total transportation
33 costs incurred for the transportation of pupils required under
34 chapter 285, and paid from sources other than the district's
35 physical plant and equipment levy fund under section 298A.4

1 or revenue received from the secure an advanced vision for
2 education fund under section 423F.2, for the three years
3 immediately preceding the base year.

4 (ii) The sum of the school district's regular program
5 district cost for the three years immediately preceding the
6 base year, excluding amounts attributable to budget adjustments
7 received under section 257.14.

8 (iii) The school district's budget enrollment multiplied by
9 the quotient of the school district's amount under subparagraph
10 subdivision (i) divided by the school district's amount under
11 subparagraph subdivision (ii).

12 (iv) The school district's amount under subparagraph
13 subdivision (iii) divided by the sum of the amounts calculated
14 under subparagraph subdivision (iii) for all school districts.

15 (v) The amount calculated under subparagraph subdivision
16 (iv) multiplied by ninety percent of the sum of all school
17 districts' transportation costs incurred for the transportation
18 of pupils required under chapter 285 for the year preceding
19 the base year and paid from sources other than the district's
20 physical plant and equipment levy fund under section 298A.4
21 or revenue received from the secure an advanced vision for
22 education fund under section 423F.2.

23 (vi) The quotient of the amount calculated under
24 subparagraph subdivision (v) divided by the regular program
25 state cost per pupil for the budget year.

26 (b) *Budget enrollment factor.* For each budget year
27 beginning on or after July 1, 2017, the department of
28 management shall calculate for each school district all of the
29 following:

30 (i) The quotient of the school district's budget enrollment
31 divided by the statewide total budget enrollment multiplied by
32 five percent of the sum of all school districts' transportation
33 costs incurred for the transportation of pupils required under
34 chapter 285 for the year preceding the base year and paid from
35 sources other than the district's physical plant and equipment

1 levy fund under section 298A.4 or revenue received from the
2 secure an advanced vision for education fund under section
3 423F.2.

4 (ii) The amount calculated under subparagraph subdivision
5 (i) divided by the regular program state cost per pupil for the
6 budget year.

7 (c) *Route miles factor.* For each budget year beginning
8 on or after July 1, 2017, the department of management shall
9 calculate for each school district all of the following:

10 (i) The quotient of the school district's total route
11 miles traveled for the transportation of pupils required under
12 chapter 285 for the year preceding the base year divided by the
13 school district's budget enrollment.

14 (ii) The school district's amount under subparagraph
15 subdivision (i) divided by the sum of the amounts calculated
16 under subparagraph subdivision (i) for all school districts.

17 (iii) The amount calculated under subparagraph subdivision
18 (ii) multiplied by five percent of the sum of all school
19 districts' transportation costs incurred for the transportation
20 of pupils required under chapter 285 for the year preceding
21 the base year and paid from sources other than the district's
22 physical plant and equipment levy fund under section 298A.4
23 or revenue received from the secure an advanced vision for
24 education fund under section 423F.2.

25 (iv) The amount calculated under subparagraph subdivision
26 (iii) divided by the regular program state cost per pupil for
27 the budget year.

28 (2) The combined weighting amount for each school district
29 is the sum of the following:

30 (a) The amount calculated under subparagraph (1),
31 subparagraph division (a), subparagraph subdivision (vi).

32 (b) The amount calculated under subparagraph (1),
33 subparagraph division (b), subparagraph subdivision (ii).

34 (c) The amount calculated under subparagraph (1),
35 subparagraph division (c), subparagraph subdivision (iv).

1 *d.* Funding received by a school district as the result of
 2 supplementary weighting under this subsection shall not affect
 3 a school district's eligibility for transportation assistance
 4 under section 257.31, subsection 17.

5 *e.* Amounts received by a school district as the result
 6 of supplementary weighting under this subsection shall be
 7 deposited in the school district's general fund and may be used
 8 for any general fund purpose.

9 *f.* If a school district established as the result of a
 10 reorganization under chapter 275 does not have sufficient
 11 transportation cost data, regular program district cost per
 12 pupil data, or enrollment data for the calculation of amounts
 13 required under this subsection, the department of management
 14 shall use estimated transportation cost data, regular program
 15 district cost per pupil data, and enrollment data derived from
 16 data for prior budget years from each district involved in
 17 the reorganization until such amounts can be calculated using
 18 actual data for the reorganized school district.

19 *g.* For the budget years beginning July 1, 2017, July 1,
 20 2018, and July 1, 2019, and if necessary, any subsequent budget
 21 years, if insufficient or incomplete transportation cost data
 22 makes the implementation of this subsection impractical, the
 23 department of management shall, in consultation with the
 24 department of education and the legislative services agency,
 25 establish procedures and modified methodologies for calculating
 26 supplementary weighting and funding amounts under this
 27 subsection.

28 Sec. 8. Section 257.11, subsection 8, Code 2017, is amended
 29 to read as follows:

30 8. *Pupils ineligible.* A Except for transportation weighting
 31 under subsection 7A, a pupil eligible for the weighting plan
 32 provided in section 256B.9 is not eligible for supplementary
 33 weighting pursuant to this section unless it is determined
 34 that the course generating the supplemental weighting has no
 35 relationship to the pupil's disability. A pupil attending an

1 alternative program or an at-risk pupils' program, including
2 alternative high school programs, is not eligible for
3 supplementary weighting under [subsection 2](#).

4 Sec. 9. Section 257.31, subsection 17, paragraphs a and d,
5 Code 2017, are amended to read as follows:

6 a. If a district's average transportation costs per
7 pupil exceed the state average transportation costs per
8 pupil determined under paragraph "c" by one hundred fifty
9 percent, the committee may grant transportation assistance aid
10 to the district using exclusively the funds transferred to
11 the committee in accordance with section 321.34, subsection
12 22. Such aid shall be miscellaneous income and shall not be
13 included in district cost.

14 d. Funds transferred to the committee in accordance with
15 section 321.34, subsection 22, are appropriated to and may be
16 expended for the purposes of the committee, as described in
17 this ~~section~~ subsection. However, highest priority shall be
18 given to districts that meet the conditions described in this
19 subsection. Notwithstanding any other provision of the Code,
20 unencumbered or unobligated funds transferred to the committee
21 pursuant to [section 321.34, subsection 22](#), remaining on June
22 30 of the fiscal year for which the funds were transferred,
23 shall not revert but shall be available for expenditure for the
24 purposes of [this subsection](#) in subsequent fiscal years.

25 Sec. 10. EFFECTIVE UPON ENACTMENT. This division of this
26 Act, being deemed of immediate importance, takes effect upon
27 enactment.